

## **Tax Abatement Information**

Alabama offers partial tax abatements (Education taxes are not abated) to new and expanding businesses that meet Statutory Requirements. These abatements are generally approved via local Industrial Development Boards but there are exceptions. Partial Sale Tax abatements on construction materials and new equipment purchases may also be available for qualifying projects.

In most cases, facilitation for local and state incentives – including pre-notifications to state agencies if needed – is handled by the Baldwin County Economic Development Alliance (the Alliance). The Alliance works closely with local Industrial Boards and City/Town Boards in preparing appropriate paperwork and notices related to incentives.

For additional information, you may contact their office at the numbers listed below or visit the website at [www.baldwineda.com](http://www.baldwineda.com)

Baldwin County Economic Development Alliance  
(251) 970-4081 or 800-947-2445

For information regarding the laws/rules on Tax Abatements, please visit the Alabama Department of Revenue's website at [www.revenue.alabama.gov](http://www.revenue.alabama.gov) or contact Angela Till, Office of Commissioner at (334) 242-1175 in Montgomery, Alabama.

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Once a Tax Abatement has been granted, Baldwin County Sales & Use Tax Department notifies the business of the non-abatable tax rates which is shown below:

### **Baldwin County Sales Tax & Consumer Use Tax Rate Change – Effective June 1, 2013**

#### **Non-Abated Education Rates**

**Sales Tax - 2.6% General Rate & 1.15% Auto/Farm/Machine (Not Abated - Education)**  
**Please note - Prior to June 1, 2013 – Auto/Farm/Machine rate was 1.65%.**

Certificate holders who purchases supplies and/or equipment at the *within* Baldwin County will need to remit 2.6% Sales Tax and/or 1.15% Sales Tax to Baldwin County Sales & Use Tax Department.

**Consumer Use Tax - 3% General Rate & 1.25% Auto/Farm/Machine (Not Abated - Education)**  
**Please note - Prior to June 1, 2013 – Auto/Farm/Machine rate was 1.75%.**

Certificate holders who purchases supplies and/or equipment *outside* of Baldwin County will need to remit 3%-General Rate, Consumer Use and/or 1.25%-Auto, Farm and Machine to Baldwin County Sales & Use Tax Department.

*All supplies/equipment must be delivered by the supplier/vendor to the job site in Baldwin County.*

If you have any questions regarding the non-abated tax rates for Baldwin County, please contact Debbie West at (251) 943-5061, Ext. 2706.